Exhibit D - Faculty and Other Salary Expenses

Faculty salaries and wages paid at the University of Colorado Denver's (UCD) approved rates are allowable costs to federal projects if they reflect the level of effort expended on the project, are documented by the UCD electronic Personnel Effort Reporting System, and do not exceed thresholds applied by Sponsors (e.g., NIH salary cap). Proportional fringe benefits in accordance with established UCD policies are allowable.

1. Personnel Effort Reporting

General

In describing how to best track effort on federal projects, OMB A-21 states the following: "In the use of any methods for apportioning salaries, it is recognized that, in an academic setting, teaching, research, service, and administration are often inextricably intermingled. A precise assessment of factors that contribute to costs is not always feasible, nor is it expected. Reliance, therefore, is placed on estimates in which a degree of tolerance is appropriate."

electronic Personnel Effort Reporting System

UCD uses an electronic Personnel Effort Reporting System as its method of documenting Administrative and Faculty effort performed on Federal Projects. In regard to a Personnel Effort Reporting System, OMB A-21 stipulates the following requirements:

a.   "Activity reports will reflect the distribution of activity expended by employees covered by the system."

b.   "These reports will reflect an after-the-fact reporting of the percentage distribution of activity of employees. Charges may be made initially on the basis of estimates made before the services are performed, provided that such charges are promptly adjusted if significant differences are indicated by activity records."

c.   "Reports will reasonably reflect the activities for which employees are compensated by the institution. To confirm that the distribution of activity represents a reasonable estimate of the work performed by the employee during the period, the reports will be signed by the employee, PI, or

responsible official(s) using suitable means of verification that the work was performed."

d. "The system will reflect activity applicable to each sponsored agreement and to each category needed to identify F&A costs and the functions to which they are allocable."

2. electronic Personnel Effort Reporting (ePER) Process

UCD has various policies governing employment and payment of employees. Human Resources policies can be found on the UCD Policies and Guidelines page, or by clicking here.

The ePER system serves the following purposes:

- Certification that salaries have been charged to programs/projects in accordance with the relative activity applied to various programs and projects.
- Establishment of the basis for reimbursement to UCD by the federal government for salaries paid from sponsored research, sponsored instruction, and other sponsored activities,
- Provides the basis for certain costs that are reimbursed as F&A costs.
- Serving as a means of identifying cost sharing activity on sponsored projects.

The ePER information reported for the semester (fall, spring, and summer) reflects the actual effort of each employee, as well as it can be reasonably estimated or measured. Semester certification reports are prepared for employees who are paid at least partially from a sponsored project or have committed cost sharing on a sponsored project. Each ePER shows, for the semester, the amount and percentage of salary paid and charged to each project as well as other institutional funds.

ePERs must be completed and certified within 120 calendar days from ePER creation.

The report does not include student hourly work. This includes the following job code series:

- 4100 Student Worker
- 4200 Off Campus Work Study
- 4300 High School, Trade, Other

- 4400   Other State Institution

The hourly students must complete a work record that includes the speedtypes that paid for the work and certification of the work and pay distribution.

The work record can be found at the following link:

https://www.cusys.edu/pbs/forms/downloads/EWR_BiWeekly_Example.xls
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Note: Students paid as Graduate Students must complete an ePER for their pay and effort on sponsored projects.

See Exhibit E, *ePER Instructions and Information for Completing the electronic Personnel Effort Report (ePER),* for guidance.